



House of Representatives

General Assembly

File No. 125

January Session, 2015

House Bill No. 6893

House of Representatives, March 19, 2015

The Committee on Aging reported through REP. SERRA of the 33rd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT INCREASING THE PERSONAL NEEDS ALLOWANCE FOR RESIDENTS OF LONG-TERM CARE FACILITIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 17b-106 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (b) Effective July 1, [2011] 2015, the commissioner shall provide a
5 state supplement payment for recipients of Medicaid and the federal
6 Supplemental Security Income Program who reside in long-term care
7 facilities sufficient to increase their personal needs allowance to [sixty]
8 sixty-five dollars per month. On and after July 1, 2016, the
9 commissioner shall increase such allowance annually by the same
10 amount as the Social Security cost-of-living adjustments, if any such
11 adjustments are made. Such state supplement payment shall be made
12 to the long-term care facility to be deposited into the personal fund
13 account of each such recipient. For the purposes of this subsection,
14 "long-term care facility" means a licensed chronic and convalescent

15 nursing home, a chronic disease hospital, a rest home with nursing
16 supervision, an intermediate care facility for individuals with
17 intellectual disabilities or a state humane institution.

18 Sec. 2. Section 17b-272 of the general statutes is repealed and the
19 following is substituted in lieu thereof (*Effective from passage*):

20 Effective July 1, [2011] 2015, the Commissioner of Social Services
21 shall permit patients residing in nursing homes, chronic disease
22 hospitals and state humane institutions who are medical assistance
23 recipients under sections 17b-260 to 17b-262, inclusive, 17b-264 to 17b-
24 285, inclusive, and 17b-357 to 17b-361, inclusive, to have a monthly
25 personal fund allowance of [sixty] sixty-five dollars. On and after July
26 1, 2016, the commissioner shall increase such allowance annually by
27 the same amount as the Social Security cost-of-living adjustments, if
28 any such adjustments are made.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	17b-106(b)
Sec. 2	<i>from passage</i>	17b-272

Section 1	<i>from passage</i>	17b-106(b)
Sec. 2	<i>from passage</i>	17b-272

AGE *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 16 \$	FY 17 \$
Social Services, Dept.	GF - Cost	\$495,000	\$508,150

Municipal Impact: None

Explanation

The bill will result in a net cost to the Department of Social Services (DSS) in FY 16 of approximately \$495,000 and \$508,150 in FY 17.¹ The cost is the result of increasing the monthly personal needs allowance (PNA) from \$60 to \$65 and requiring as of July 1, 2016 the PNA be increased in an amount equal to the Social Security cost-of-living adjustment, if any.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to (1) any changes in the number of individuals eligible for a PNA residing in long term care facilities and (2) the Social Security cost-of-living adjustment.

¹ FY 17 assumes an increase of approximately 1.63% based on the 3 year average Social Security cost-of-living adjustment. (Source: Social Security Administration)

OLR Bill Analysis**HB 6893*****AN ACT INCREASING THE PERSONAL NEEDS ALLOWANCE FOR RESIDENTS OF LONG-TERM CARE FACILITIES.*****SUMMARY:**

Starting July 1, 2015, this bill requires the social services (DSS) commissioner to increase, from \$60 to \$65 per month, the personal needs allowance (PNA) provided to residents of long-term care facilities who receive Medicaid or certain other federal or state assistance. It also requires the commissioner, starting July 1, 2016, to increase the PNA annually in accordance with any Social Security cost-of-living adjustments (Presumably, this means the PNA will increase annually by a percentage equal to the Social Security increase, if any, for the same year.)

Covered facilities include nursing homes, chronic disease hospitals, intermediate care facilities for individuals with intellectual disabilities, and state humane institutions. Residents of these facilities who receive Medicaid apply their monthly income (e.g., Social Security) towards their care costs but may keep a portion (the PNA) to pay for incidentals such as haircuts, telephone expenses, and newspapers. Medicaid pays the difference between the applied income and the daily rate for care set by DSS.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Aging Committee

Joint Favorable

Yea 13 Nay 0 (03/05/2015)